

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

Ind.,& Com.,(Prog.III) Dept., - APCO - Central Office - Providing of Government guarantee for Rs.58.32 Crores for another period of one year w.e.f., 01.04.2015 to 31.03.2016 in favour Andhra Pradesh State Cooperative Bank Limited (APCOB) towards operating the Cash Credit Limits by the Andhra Pradesh State Handloom Weavers Cooperative Society Limited (APCO) –Orders-Issued.

INDUSTRIES AND COMMERCE (PROGRAMME.III) DEPARTMENT

G.O.MS.No. 40

Dated: 28-03-2016

Read the following:-

- 1) G.O.Ms.No.144 Ind.,&Com., (Tex) Dept., dt.19.10.2012.
- 2) G.O. Ms.No.119 Ind.,&Com., (Tex) Dept., dt.22.10.2013.
- 3) From the Director of Handlooms and Textiles, A.P., Hyderabad, Lr.No.12510/2011-c, dt.26.3.2015.
- 4) From the Commissioner of Handlooms and Textiles, A.P., Hyderabad, Lr.No.12510/2011-c, dt.29.02.2016.

ORDER:

In the G.O. 1st read above, Government have provided the Guarantee for Rs.100.00 Crores (Rupees One hundred Crores only) i.e., 80.00 Crores for cloth and 20.00 Crores (Rupees Twenty Crores) for yarn for another period of 3 years w.e.f., 01.04.2012 to 31.03.2015 in favour of Andhra Pradesh State Cooperative Bank Limited (APCOB), Hyderabad towards operating the cash credit limits by the A.P., State Handloom Weavers Cooperative Society Limited (APCO) so as to enable the APCO to clear the yarn and society payments etc., and APCO shall pay 2% Guarantee Commission to the Government, subject to condition, that the Guarantee is only on principal amount.

2. In the G.O 2nd read above, Govt. have amended the orders issued in the G.O. 1st read above decided to provide the Government Guarantee for Rs.100.00 Crores (Rupees Hundred Crores only) i.e. Rs.90.00 Crores for cloth and Rs.10.00 crores for yarn) for another period of 3 years with effect from 02-04-2012 to 31.03.2015.

3. In the references 3rd and 4th read above, the Commissioner of Handlooms and Textiles, A.P., Hyderabad has stated that the Vice Chairman and Managing Director, APCO has submitted a proposal for further renewal of Government Guarantee for the year 2015-16 stating that the APCOB allowed the APCO to avail Cash Credit Limits for Rs.100.00 Crores. The Managing Committee of APCO in the meeting held on 23.12.2014 resolved to request the APCOB for renewal of Cash Credit Limit proportionately @ 58.32 % i.e., for 58.32 Crores (Rs.52.48 Crores for cloth purchases and Rs.5.84 Crores for Yarn purchases, so as to enable the APCO to make timely payments to the Primary Weavers Coop. Societies and NHDC etc., The Director of Handlooms & Textiles has therefore, requested to consider the proposal of the APCO., to provide Govt. Guarantee for Rs.58.32 crores (for cloth purchases of Rs.52.48 crores and Rs.5.84 crores and 5.84 crores for yarn purchase) for the year 2015-16 in favour of APCOB, Hyderabad to APCO so as to make timely payments to the Primary Weavers Coop. Societies, and National Handloom Development Corporation for purchase of yarn and processing charges to processors etc.,

4. Government after careful examination of the proposal, have decided and accordingly hereby provide the Government Guarantee for Rs. for 58.32 Crores (Rs.52.48 Crores for cloth purchases and Rs.5.84 Crores for Yarn purchases) for another period of one year i.e., w.e.f., 01.04.2015 to 31.03.2016 in favour Andhra Pradesh State Cooperative Bank Limited (APCOB) towards operating the Cash Credit Limits by the Andhra Pradesh State Handloom Weavers Cooperative Society Limited (APCO).

5. The Guarantee Commission shall be credited to the relevant Head of Account for the Guarantee given by the State Government.

6. The Commissioner of Handlooms and Textiles, A.P., Hyderabad / the Vice Chairman and Managing Director, AP. State Handloom Weavers Co-operative Society Limited (APCO) Hyd., shall enter into guarantee deed as was done in the past, with Andhra Pradesh State Co-operative Bank Limited (APCOB), for a further period of one (1) year with effect from 01.04.2015 to 31.03.2016

7. This order issues with the concurrence of Finance (EBS-VIII) Dept., vide their U.O. Note No.54492/97/EBS.VIII/A2/2015, dated:25.05.2015.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**NARESH PENUMAKA
EX-OFFICIO SECRETARY TO GOVERNMENT**

To
The Commissioner of Handlooms and Textiles, A.P., Hyderabad
The Vice Chairman and Managing Director, AP Handloom
Weavers Cooperative Society Ltd., (APCO),Hyd
The Managing Director, AP State Co-Operative Bank Limited
(APCOB), Hyderabad.
The Chief General Manager, National Bank for Agricultural and
Rural Development (NABARD), Hyd.

Contd.....

The Accountant General, A.P., Hyderabad

Copy to:

The P.S to Secretary to Chief Minister

The P.S to Hon'ble Minister for Finance

The P.S to Hon'ble Minister for Handlooms and Textiles,

The P.S to Chief Secretary to Govt.,

The Finance (EBS-VIII) Dept.,

The GA (Cabinet) Dept.,

The P.S to E.O Secretary to Govt.,

//FORWARDED::BY ORDER//

SECTION OFFICER